

F - Environmental and Public Protection Cabinet

THIS PAGE INTENTIONALLY LEFT BLANK

Table of Contents

F - Environmental and Public Protection Cabinet

<u>General Administration and Program Support</u>	<u>F - 005</u>
<u>Environmental Protection</u>	<u>F - 011</u>
<u>Natural Resources</u>	<u>F - 017</u>
<u>Surface Mining Reclamation and Enforcement</u>	<u>F - 021</u>
<u>Abandoned Mine Land Reclamation Projects</u>	<u>F - 027</u>
<u>Environmental Quality Commission</u>	<u>F - 029</u>
<u>Kentucky Nature Preserves Commission</u>	<u>F - 031</u>
<u>Public Protection Commissioner</u>	<u>F - 035</u>
<u>Boxing and Wrestling Authority</u>	<u>F - 037</u>
<u>Petroleum Storage Tank Environmental Assur. Fund</u>	<u>F - 039</u>
<u>Alcoholic Beverage Control</u>	<u>F - 045</u>
<u>Charitable Gaming</u>	<u>F - 049</u>
<u>Board of Claims/Crime Victims' Compensation</u>	<u>F - 053</u>
<u>Financial Institutions</u>	<u>F - 057</u>
<u>Horse Racing Authority</u>	<u>F - 059</u>
<u>Housing, Buildings and Construction</u>	<u>F - 063</u>
<u>Insurance</u>	<u>F - 069</u>
<u>Mine Safety Review Commission</u>	<u>F - 075</u>
<u>Mine Safety and Licensing</u>	<u>F - 077</u>
<u>Public Service Commission</u>	<u>F - 079</u>
<u>Tax Appeals</u>	<u>F - 085</u>
<u>Labor</u>	<u>F - 087</u>
<u>Occupational Safety and Health Review Comm.</u>	<u>F - 091</u>
<u>Workers Compensation Board</u>	<u>F - 093</u>
<u>Workers' Compensation Funding Commission</u>	<u>F - 095</u>

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet

Operating Budget

Summary Totals

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund (Tobacco)	25,782,600	25,782,600	25,782,600	25,751,700	24,211,700	25,751,700
General Fund	91,448,500	87,608,500	87,608,500	89,818,900	89,818,900	89,818,900
Restricted Funds	433,736,700	437,426,700	437,576,700	434,362,700	434,362,700	434,362,700
Federal Funds	76,270,600	76,270,600	76,270,600	70,915,300	70,915,300	70,915,300
Regular Total Funds	627,238,400	627,088,400	627,238,400	620,848,600	619,308,600	620,848,600
Continuing	4,648,600	4,648,600	4,648,600			
TOTAL FUNDS	631,887,000	631,737,000	631,887,000	620,848,600	619,308,600	620,848,600

II. EXPENDITURE CATEGORY

Personnel Costs	223,973,800	223,973,800	223,973,800	220,976,300	220,976,300	220,976,300
Operating Expenses	206,460,300	206,460,300	206,460,300	203,618,300	203,618,300	203,618,300
Grants, Loans, Benefits	167,417,800	167,267,800	167,417,800	157,613,400	156,073,400	157,613,400
Debt Service	589,000	589,000	589,000	2,357,000	2,357,000	2,357,000
Capital Outlay	7,182,600	7,182,600	7,182,600	5,100,000	5,100,000	5,100,000
Construction	26,263,500	26,263,500	26,263,500	31,183,600	31,183,600	31,183,600
TOTAL EXPENDITURES	631,887,000	631,737,000	631,887,000	620,848,600	619,308,600	620,848,600

III. BASE LEVEL BUDGET BY FUND SOURCE

General Fund (Tobacco)	25,782,600	25,782,600	25,782,600	25,751,700	24,211,700	25,751,700
General Fund	91,448,500	87,608,500	87,608,500	89,818,900	89,818,900	89,818,900
Restricted Funds	431,986,700	435,676,700	435,826,700	432,612,700	432,612,700	432,612,700
Federal Funds	76,270,600	76,270,600	76,270,600	70,915,300	70,915,300	70,915,300
Regular Total Funds	625,488,400	625,338,400	625,488,400	619,098,600	617,558,600	619,098,600
Continuing	4,648,600	4,648,600	4,648,600			
TOTAL BASE LEVEL	630,137,000	629,987,000	630,137,000	619,098,600	617,558,600	619,098,600

IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE

Restricted Funds	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
TOTAL ADDITIONAL	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000

THIS PAGE INTENTIONALLY LEFT BLANK

CONFERENCE BUDGET REPORT - 2005 REGULAR SESSION OF THE GENERAL ASSEMBLY

F - Environmental and Public Protection Cabinet

Capital Budget

Summary Totals

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE						
Restricted Funds	5,600,000	5,600,000	5,600,000	5,600,000	5,600,000	5,600,000
Federal Funds	1,150,000	1,150,000	1,150,000	1,350,000	1,350,000	1,350,000
Bond Funds	26,000,000	26,000,000	26,000,000			
Investment Income	500,000	1,000,000	1,000,000		200,000	200,000
Other Funds	300,000	300,000	300,000	300,000	300,000	300,000
TOTAL CAPITAL	33,550,000	34,050,000	34,050,000	7,250,000	7,450,000	7,450,000

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****General Administration and Program Support**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	10,216,500	10,216,500	10,216,500	10,174,500	10,174,500	10,174,500
Restricted Funds	5,632,200	5,632,200	5,632,200	4,953,300	4,953,300	4,953,300
Federal Funds	1,707,100	1,707,100	1,707,100	1,728,100	1,728,100	1,728,100
Regular Total Funds	17,555,800	17,555,800	17,555,800	16,855,900	16,855,900	16,855,900
Continuing						
TOTAL FUNDS	17,555,800	17,555,800	17,555,800	16,855,900	16,855,900	16,855,900
II. EXPENDITURE CATEGORY						
Personnel Costs	14,443,300	14,443,300	14,443,300	13,946,000	13,946,000	13,946,000
Operating Expenses	2,890,900	2,890,900	2,890,900	2,793,200	2,793,200	2,793,200
Capital Outlay	221,600	221,600	221,600	116,700	116,700	116,700
TOTAL EXPENDITURES	17,555,800	17,555,800	17,555,800	16,855,900	16,855,900	16,855,900
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	10,216,500	10,216,500	10,216,500	10,174,500	10,174,500	10,174,500
Restricted Funds	5,632,200	5,632,200	5,632,200	4,953,300	4,953,300	4,953,300
Federal Funds	1,707,100	1,707,100	1,707,100	1,728,100	1,728,100	1,728,100
Regular Total Funds	17,555,800	17,555,800	17,555,800	16,855,900	16,855,900	16,855,900
Continuing						
TOTAL BASE LEVEL	17,555,800	17,555,800	17,555,800	16,855,900	16,855,900	16,855,900

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

General Administration and Program Support

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Reallocation of Specified Restricted Funds within the Environmental and Public Protection Cabinet: Notwithstanding KRS 224.60-130 to 224.60-145, 287.485, and 304.2-400, the Secretary of the Environmental and Public Protection Cabinet may request the authorization to expend Restricted Funds for specified purposes, subject to the provisions of KRS 48.630."

The 2004-2006 Executive Budget, Executive Budget Overview, includes language provisions that states:

"The reorganization of three former cabinets into one administrative organization has created the opportunity for significant efficiencies. Centralizing the regulatory function of state government will result in better service for businesses and communities that depend on these services. "

HOUSE REPORT

The House concurs with the Bill as Introduced with the following changes:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to delete the following language provision:

"Reallocation of Specified Restricted Funds within the Environmental and Public Protection Cabinet: Notwithstanding KRS 224.60-130 to 224.60-145, 287.485, and 304.2-400, the Secretary of the Environmental and Public Protection Cabinet may request the authorization to expend Restricted Funds for specified purposes, subject to the provisions of KRS 48.630."

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

General Administration and Program Support

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

"Engineering Salary Parity: The Secretary of the Environmental and Public Protection Cabinet is authorized to expend funds in an amount sufficient to pay engineers in the Cabinet at the same grade as engineers in other cabinets, as appropriate."

Part II, Capital Budget

The House concurs with the Bill as Introduced with the following changes:

Maintenance Pool, Investment Income of \$500,000 in fiscal year 2005 and Investment Income of \$200,000 in fiscal year 2006 has been deleted.

This project is authorized as Bond Funds in the Statewide Repair, Maintenance, and Replacement Pool Fund within the Finance and Administration Cabinet, in the amount of \$700,000. The fiscal year 2005-2006 debt service is included in the Finance and Administration Cabinet's budget.

The House amends the State/Executive Branch Budget Bill, Part V, Funds Transfer, to include transfers from the Agency Revenue Fund totaling \$500,000 in fiscal year 2004-2005 and \$500,000 in fiscal year 2005-2006.

SENATE REPORT

The Senate concurs with the House with the following changes:

The Senate adds a Part I, Operating Budget, language provisions as follows:

"Reallocation of Specified Restricted Funds within the Environmental and Public Protection Cabinet: Notwithstanding KRS 224.60-130 to 224.60-145, 287.485, and 304.2-400, the Secretary of the Environmental and Public Protection Cabinet may request the authorization to expend Restricted Funds for specified purposes, subject to the provisions of KRS 48.630."

The Senate removes a Part II, Capital Budget, language provision as follows:

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

General Administration and Program Support

"Maintenance Pool, Investment Income of \$500,000 in fiscal year 2005 and Investment Income of \$200,000 in fiscal year 2006 has been deleted."

"This project is authorized as Bond Funds in the Statewide Repair, Maintenance, and Replacement Pool Fund within the Finance and Administration Cabinet, in the amount of \$700,000. The fiscal year 2005-2006 debt service is included in the Finance and Administration Cabinet's budget."

CONFERENCE REPORT

The Conference concurs with the Bill as introduced with the following change:

The Conference amends the State Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"(2) Reallocation of Specified Restricted Funds within the Environmental and Public Protection Cabinet: Notwithstanding KRS 224.60-130 to 224.60-145, 287.485, and 304.2-400, the Secretary of the Environmental and Public Protection Cabinet may request the authorization to expend Restricted Funds for specified purposes, subject to the provisions of KRS 48.630, in an amount not to exceed ten percent of the Cabinet's Restricted Funds appropriation contained in this Part for fiscal year 2004-2005 and fiscal year 2005-2006."

F - Environmental and Public Protection Cabinet**Capital Budget****General Administration and Program Support**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE						
Restricted Funds	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Federal Funds	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Investment Income	500,000	1,000,000	1,000,000		200,000	200,000
TOTAL CAPITAL	4,500,000	5,000,000	5,000,000	4,000,000	4,200,000	4,200,000
II. CAPITAL PROJECTS						
1 Maintenance Pool						
PRJEPP0001						
Investment Income		500,000	500,000		200,000	200,000
Project Total		500,000	500,000		200,000	200,000
2 Network Upgrade						
PRJEPP0127						
Investment Income	500,000	500,000	500,000			
Project Total	500,000	500,000	500,000			
3 Franklin County - Lease						
PRJEPP0129						
Agency Bonds						
Project Total						
4 Kentucky Heritage Land Conservation Fund						
PRJEPP0128						
Restricted Funds	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Federal Funds	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Project Total	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
TOTAL CAPITAL	4,500,000	5,000,000	5,000,000	4,000,000	4,200,000	4,200,000

THIS PAGE INTENTIONALLY LEFT BLANK

CONFERENCE BUDGET REPORT - 2005 REGULAR SESSION OF THE GENERAL ASSEMBLY

F - Environmental and Public Protection Cabinet**Operating Budget****Environmental Protection**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	23,793,500	23,793,500	23,793,500	23,642,500	23,642,500	23,642,500
Restricted Funds	47,826,900	47,676,900	47,826,900	50,867,600	50,867,600	50,867,600
Federal Funds	16,065,200	16,065,200	16,065,200	15,602,900	15,602,900	15,602,900
Regular Total Funds	87,685,600	87,535,600	87,685,600	90,113,000	90,113,000	90,113,000
Continuing						
TOTAL FUNDS	87,685,600	87,535,600	87,685,600	90,113,000	90,113,000	90,113,000
II. EXPENDITURE CATEGORY						
Personnel Costs	45,094,200	45,094,200	45,094,200	45,985,500	45,985,500	45,985,500
Operating Expenses	8,352,600	8,352,600	8,352,600	8,023,300	8,023,300	8,023,300
Grants, Loans, Benefits	18,995,900	18,845,900	18,995,900	16,157,300	16,157,300	16,157,300
Debt Service				49,000	49,000	49,000
Capital Outlay	1,925,000	1,925,000	1,925,000	1,667,600	1,667,600	1,667,600
Construction	13,317,900	13,317,900	13,317,900	18,230,300	18,230,300	18,230,300
TOTAL EXPENDITURES	87,685,600	87,535,600	87,685,600	90,113,000	90,113,000	90,113,000
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	23,793,500	23,793,500	23,793,500	23,642,500	23,642,500	23,642,500
Restricted Funds	47,826,900	47,676,900	47,826,900	50,867,600	50,867,600	50,867,600
Federal Funds	16,065,200	16,065,200	16,065,200	15,602,900	15,602,900	15,602,900
Regular Total Funds	87,685,600	87,535,600	87,685,600	90,113,000	90,113,000	90,113,000
Continuing						
TOTAL BASE LEVEL	87,685,600	87,535,600	87,685,600	90,113,000	90,113,000	90,113,000

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Environmental Protection

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a transfer from Kentucky Pride Trust Fund Pursuant to KRS 224.43-505(2)(a)5., these funds transfers of \$2,006,300 in fiscal year 2004-2005 and \$2,006,300 in fiscal year 2005-2006 to the General Fund, support the General Fund debt service on the bonds sold as authorized by 2003 Ky. Acts ch. 156, Part II, Capital Projects Budget, A. Government Operations, 3. Kentucky Infrastructure Authority, c. Kentucky Pride Fund Projects.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Debt Service: Included in the above General Fund appropriation is \$49,000 for fiscal year 2005-2006 for debt service to support new bonds for state-owned dam repair as set forth in Part II, Capital Projects Budget, of this Act."

"Municipal Solid Waste Landfill Inspectors: Notwithstanding KRS 224.43-320, no funds are provided in the above appropriations for the assignment of full-time inspectors to each municipal solid waste landfill operating in the Commonwealth."

"Kentucky Pride Program: Included in the above Restricted Funds appropriation is \$24,991,500 in fiscal year 2004-2005 and \$29,835,100 in fiscal year 2005-2006 for the Kentucky Pride Program."

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Environmental Protection

"Solid Waste Enforcement Activity: In accordance with KRS 224.43-505, the Environmental and Public Protection Cabinet shall suspend until July 1, 2006, enforcement activity regarding landfill closure, maintenance, monitoring, and remediation obligations against formerly permitted municipal solid waste disposal and water facilities owned by a city or county that ceases accepting waste prior to July 1, 1992, except as necessary to abate an environmental emergency."

HOUSE REPORT

The House concurs with the Bill as Introduced with the following changes:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Martin County Damage Trust Fund: In fiscal year 2004-2005, \$150,000 is appropriated from the NR Martin County Damage Trust Fund set up under agreed order July 31, 2002, DOW-25070-042, DOW-25151-042, and DOW-21509-042 to Eastern Kentucky University to provide independent water testing and technical assistance to the citizens of Martin County. The Secretary of the Finance and Administration Cabinet and the State Budget Director shall develop and implement a memorandum of agreement between Eastern Kentucky University and the Fiscal Court of Martin County to insure the purposes of this provision are implemented. The Secretary of the Finance and Administration Cabinet shall report to the Interim Joint Committee on Appropriations and Revenue upon completion of the memorandum of agreement and the appropriation of funds, before the end of fiscal year 2004-2005."

Part II, Capital Budget

State-owned Dam Repair, Investment Income of \$500,000 in fiscal year 2005 and Investment Income of \$500,000 in fiscal year 2006 has been deleted.

This project is authorized as Bond Funds in the Statewide Repair, Maintenance, and Replacement Pool Fund within the Finance and Administration Cabinet, in the amount of \$1,000,000. The fiscal year 2005-2006 debt service is included in the Finance and Administration Cabinet's budget.

SENATE REPORT

The Senate concurs with the House with the following change:

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Environmental Protection

The Senate removes Part I, Operating Budget, language provision as follows:

"Martin County Damage Trust Fund: In fiscal year 2004-2005, \$150,000 is appropriated from the NR Martin County Damage Trust Fund set up under agreed order July 31, 2002, DOW-25070-042, DOW-25151-042, and DOW-21509-042 to Eastern Kentucky University to provide independent water testing and technical assistance to the citizens of Martin County. The Secretary of the Finance and Administration Cabinet and the State Budget Director shall develop and implement a memorandum of agreement between Eastern Kentucky University and the Fiscal Court of Martin County to insure the purposes of this provision are implemented. The Secretary of the Finance and Administration Cabinet shall report to the Interim Joint Committee on Appropriations and Revenue upon completion of the memorandum of agreement and the appropriation of funds, before the end of fiscal year 2004-2005."

CONFERENCE REPORT

The Conference concurs with the House.

F - Environmental and Public Protection Cabinet**Capital Budget****Environmental Protection**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE						
Restricted Funds	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
Federal Funds	150,000	150,000	150,000	350,000	350,000	350,000
Bond Funds	1,000,000	1,000,000	1,000,000			
TOTAL CAPITAL	3,750,000	3,750,000	3,750,000	2,950,000	2,950,000	2,950,000
II. CAPITAL PROJECTS						
1 Leaking Underground Storage Tanks						
PRJ5900129						
Restricted Funds	500,000	500,000	500,000	500,000	500,000	500,000
Project Total	500,000	500,000	500,000	500,000	500,000	500,000
2 State-Owned Dam Repair						
PRJ5900131						
Bond Funds	1,000,000	1,000,000	1,000,000			
Project Total	1,000,000	1,000,000	1,000,000			
3 Hazardous Waste Management Fund						
PRJ5900132						
Restricted Funds	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Project Total	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
4 National Environmental Exchange Network						
PRJ5900134						
Federal Funds	150,000	150,000	150,000	350,000	350,000	350,000
Project Total	150,000	150,000	150,000	350,000	350,000	350,000
5 Lease - Ash Building						
PRJ5900135						
Restricted Funds						
Project Total						
6 Lease - Schenkel Lane Property						
PRJ5900136						
Restricted Funds						
Project Total						
TOTAL CAPITAL	3,750,000	3,750,000	3,750,000	2,950,000	2,950,000	2,950,000

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Natural Resources**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund (Tobacco)	9,000,000	9,000,000	9,000,000	9,000,000	7,460,000	9,000,000
General Fund	14,359,700	14,359,700	14,359,700	14,473,100	14,473,100	14,473,100
Restricted Funds	8,161,600	8,161,600	8,161,600	7,627,800	7,627,800	7,627,800
Federal Funds	9,743,900	9,743,900	9,743,900	9,872,100	9,872,100	9,872,100
Regular Total Funds	41,265,200	41,265,200	41,265,200	40,973,000	39,433,000	40,973,000
Continuing	4,648,600	4,648,600	4,648,600			
TOTAL FUNDS	45,913,800	45,913,800	45,913,800	40,973,000	39,433,000	40,973,000
II. EXPENDITURE CATEGORY						
Personnel Costs	15,808,600	15,808,600	15,808,600	16,470,500	16,470,500	16,470,500
Operating Expenses	3,854,200	3,854,200	3,854,200	4,112,800	4,112,800	4,112,800
Grants, Loans, Benefits	23,641,400	23,641,400	23,641,400	19,527,300	17,987,300	19,527,300
Capital Outlay	2,609,600	2,609,600	2,609,600	862,400	862,400	862,400
TOTAL EXPENDITURES	45,913,800	45,913,800	45,913,800	40,973,000	39,433,000	40,973,000
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund (Tobacco)	9,000,000	9,000,000	9,000,000	9,000,000	7,460,000	9,000,000
General Fund	14,359,700	14,359,700	14,359,700	14,473,100	14,473,100	14,473,100
Restricted Funds	8,161,600	8,161,600	8,161,600	7,627,800	7,627,800	7,627,800
Federal Funds	9,743,900	9,743,900	9,743,900	9,872,100	9,872,100	9,872,100
Regular Total Funds	41,265,200	41,265,200	41,265,200	40,973,000	39,433,000	40,973,000
Continuing	4,648,600	4,648,600	4,648,600			
TOTAL BASE LEVEL	45,913,800	45,913,800	45,913,800	40,973,000	39,433,000	40,973,000

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Natural Resources

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Emergency Forest Fire Suppression: Not less than \$240,000 of the General Fund appropriation for each fiscal year shall be set aside for emergency forest fire suppression. There is appropriated from the General Fund the necessary funds, subject to the conditions and procedures provided in this Act, which are required as a result of emergency fire suppression activities in excess of the \$240,000 amount. Fire suppression costs in excess of \$240,000 annually shall be deemed necessary governmental expenses and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705)."

"Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is \$9,000,000 in each fiscal year for the Environmental Stewardship Program."

The State/Executive Branch Budget Bill, Part X, Phase I Tobacco Settlement, includes a language provision that directs:

"Environmental Stewardship Program: Included in the above General Fund (Tobacco) appropriation is \$9,000,000 in each fiscal year for the Environmental Stewardship Program."

HOUSE REPORT

The House concurs with the Bill as Introduced with the following change:

The House amends the State/Executive Branch Budget Bill, Part V, Funds Transfer, to include transfers from the Oil and Gas Agency Revenue Fund totaling \$500,000 in fiscal year 2004-2005 and \$500,000 in fiscal year 2005-2006.

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Natural Resources

SENATE REPORT

The Senate concurs with the House with the following changes:

The Senate modifies a Part I, Operating Budget, language provision that directs:

"Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is \$9,000,000 in fiscal year 2004-05 and \$7,460,000 in fiscal year 2005-06 for the Environmental Stewardship Program."

The Senate amends the Budget Bill, Part V, Funds Transfer, to remove transfers from the Oil and Gas Agency Revenue Fund totaling \$500,000 in fiscal year 2004-2005 and \$500,000 in fiscal year 2005-2006.

CONFERENCE REPORT

The Conference concurs with the House.

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Surface Mining Reclamation and Enforcement**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	14,056,300	10,216,300	10,216,300	10,295,000	10,295,000	10,295,000
Restricted Funds	5,701,600	9,541,600	9,541,600	6,101,200	6,101,200	6,101,200
Federal Funds	16,832,700	16,832,700	16,832,700	17,007,900	17,007,900	17,007,900
Regular Total Funds	36,590,600	36,590,600	36,590,600	33,404,100	33,404,100	33,404,100
Continuing						
TOTAL FUNDS	36,590,600	36,590,600	36,590,600	33,404,100	33,404,100	33,404,100
II. EXPENDITURE CATEGORY						
Personnel Costs	29,478,700	29,478,700	29,478,700	25,949,000	25,949,000	25,949,000
Operating Expenses	4,395,600	4,395,600	4,395,600	4,347,600	4,347,600	4,347,600
Grants, Loans, Benefits	1,108,600	1,108,600	1,108,600	1,308,600	1,308,600	1,308,600
Capital Outlay	1,167,100	1,167,100	1,167,100	1,175,600	1,175,600	1,175,600
Construction	440,600	440,600	440,600	623,300	623,300	623,300
TOTAL EXPENDITURES	36,590,600	36,590,600	36,590,600	33,404,100	33,404,100	33,404,100
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	14,056,300	10,216,300	10,216,300	10,295,000	10,295,000	10,295,000
Restricted Funds	5,701,600	9,541,600	9,541,600	6,101,200	6,101,200	6,101,200
Federal Funds	16,832,700	16,832,700	16,832,700	17,007,900	17,007,900	17,007,900
Regular Total Funds	36,590,600	36,590,600	36,590,600	33,404,100	33,404,100	33,404,100
Continuing						
TOTAL BASE LEVEL	36,590,600	36,590,600	36,590,600	33,404,100	33,404,100	33,404,100

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Surface Mining Reclamation and Enforcement

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Bond Pool Funds Per Executive Order 2004-753: Included in the above General Fund Appropriation for the Surface Mining Reclamation and Enforcement \$3,840,000 in fiscal year 2004-2005 as directed by Executive Order 2004-753 dated July 12, 2004, to restore fund transfers from the Surface Mining Bond Pool Fund to assure Compliance with federal requirements."

"Return of Permit and Acreage Fees: Included in the above General Fund appropriation is \$675,000 in each fiscal year for the return of permit and acreage fees under KRS 350.139; any required expenditure for this purpose in excess of this amount in either fiscal year is appropriated to the department."

"Surface Coal Mining Permits: The permit block provisions of KRS 350.085(6) shall apply both to surface coal mining and reclamation operations owned or controlled by the applicant, and those operations owning or controlling the applicant. The Natural Resources and Environmental Protection Cabinet shall continue in effect the current state regulations regarding ownership and control provided that a due process hearing shall be afforded at the time that the Cabinet makes a preliminary determination to impose a permit block.

The Cabinet shall conditionally issue a permit, permit renewal, or authorization to conduct surface coal mining and reclamation operations, if the Cabinet finds that a direct administrative or judicial appeal is presently being pursued, in good faith, to contest the validity of the determination of ownership and control linkage. The Cabinet shall conditionally issue permits where the applicant submits proof, including a settlement agreement, that the violation is being abated to the satisfaction of the issuing state or federal agency. Where the initial judicial appeal affirms the ownership or control linkage, the applicant shall have 30 days to submit proof that the violation has been or is in the process of being corrected. Nothing herein shall preclude the applicant from seeking

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Surface Mining Reclamation and Enforcement

further judicial relief. The reporting requirements of KRS 350.060(3) shall not extend to persons at the level above a publicly traded corporation who own or control the applicant."

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House with the following change:

The Senate modifies, Part I, Operating Budget, to include a language provision that directs:

"Bond Pool Funds Per Executive Order 2004-753: Included in the above Restricted Funds appropriation is \$3,840,000 for Surface Mining Reclamation and Enforcement in fiscal year 2004-2005. Executive Order 2004-753 dated July 12, 2004, directs that funds be restored to the Surface Mining Bond Pool Fund to assure Compliance with federal requirements."

CONFERENCE REPORT

The Conference concurs with the Senate.

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet

Capital Budget

Surface Mining Reclamation and Enforcement

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference

II. CAPITAL PROJECTS

1 Hudson Hollow Park Lease

PRJ600A0001

Restricted Funds

Project Total

TOTAL CAPITAL

THIS PAGE INTENTIONALLY LEFT BLANK

Operating Budget

Abandoned Mine Land Reclamation Projects

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
Federal Funds	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Regular Total Funds	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Continuing						
TOTAL FUNDS	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
II. EXPENDITURE CATEGORY						
Personnel Costs	170,000	170,000	170,000	170,000	170,000	170,000
Grants, Loans, Benefits	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000	9,500,000
Construction	12,330,000	12,330,000	12,330,000	12,330,000	12,330,000	12,330,000
TOTAL EXPENDITURES	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
III. BASE LEVEL BUDGET BY FUND SOURCE						
Federal Funds	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Regular Total Funds	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000
Continuing						
TOTAL BASE LEVEL	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000	22,000,000

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Abandoned Mine Lands Reclamation Projects

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Fund Receipt and Expenditures Estimates: The above appropriations represent estimates of the funds to be received and expended for this program. If additional funds become available, the funds are appropriated subject to the conditions and procedures provided in this Act."

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Environmental Quality Commission**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	150,000	150,000	150,000	150,000	150,000	150,000
Restricted Funds	100,900	100,900	100,900	108,500	108,500	108,500
Regular Total Funds	250,900	250,900	250,900	258,500	258,500	258,500
Continuing						
TOTAL FUNDS	250,900	250,900	250,900	258,500	258,500	258,500
II. EXPENDITURE CATEGORY						
Personnel Costs	208,200	208,200	208,200	214,600	214,600	214,600
Operating Expenses	42,700	42,700	42,700	43,900	43,900	43,900
TOTAL EXPENDITURES	250,900	250,900	250,900	258,500	258,500	258,500
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	150,000	150,000	150,000	150,000	150,000	150,000
Restricted Funds	100,900	100,900	100,900	108,500	108,500	108,500
Regular Total Funds	250,900	250,900	250,900	258,500	258,500	258,500
Continuing						
TOTAL BASE LEVEL	250,900	250,900	250,900	258,500	258,500	258,500

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Environmental Quality Commission

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Administrative Accountability: The Environmental Quality Commission shall be attached to the Environmental and Public Protection Cabinet's Office of the Secretary, but shall remain a separate budget unit. The Secretary, with the approval of the Commissioners of the Environmental Quality Commission, may employ a director and other necessary Commission staff who shall serve at the pleasure of the Commission and the Secretary."

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Kentucky Nature Preserves Commission**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	1,049,300	1,049,300	1,049,300	1,049,300	1,049,300	1,049,300
Restricted Funds	304,600	304,600	304,600	333,100	333,100	333,100
Federal Funds	70,500	70,500	70,500	70,500	70,500	70,500
Regular Total Funds	1,424,400	1,424,400	1,424,400	1,452,900	1,452,900	1,452,900
Continuing						
TOTAL FUNDS	1,424,400	1,424,400	1,424,400	1,452,900	1,452,900	1,452,900
II. EXPENDITURE CATEGORY						
Personnel Costs	1,111,700	1,111,700	1,111,700	1,140,200	1,140,200	1,140,200
Operating Expenses	282,700	282,700	282,700	282,700	282,700	282,700
Grants, Loans, Benefits	30,000	30,000	30,000	30,000	30,000	30,000
TOTAL EXPENDITURES	1,424,400	1,424,400	1,424,400	1,452,900	1,452,900	1,452,900
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	1,049,300	1,049,300	1,049,300	1,049,300	1,049,300	1,049,300
Restricted Funds	304,600	304,600	304,600	333,100	333,100	333,100
Federal Funds	70,500	70,500	70,500	70,500	70,500	70,500
Regular Total Funds	1,424,400	1,424,400	1,424,400	1,452,900	1,452,900	1,452,900
Continuing						
TOTAL BASE LEVEL	1,424,400	1,424,400	1,424,400	1,452,900	1,452,900	1,452,900

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Kentucky Nature Preserves Commission

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Minor Use or Development: Notwithstanding KRS 146.410 to 146.535, the Kentucky State Nature Preserves Commission may allow a minor use or development upon or near the property boundary of a nature preserve when the minor use or development results in the addition of acreage to the preserve, furthers the goal of encouraging land use adjacent to the preserve which can help protect the character of the preserve, furthers an important public purpose identified by another state or local public agency, and does not substantially or fundamentally alter the character of the preserve."

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

Capital Budget

Kentucky Nature Preserves Commission

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE						
Other Funds	300,000	300,000	300,000	300,000	300,000	300,000
TOTAL CAPITAL	300,000	300,000	300,000	300,000	300,000	300,000
II. CAPITAL PROJECTS						
1 Kentucky Nature Preserves Acquisition Fund						
PRJ3750126						
Other Funds	300,000	300,000	300,000	300,000	300,000	300,000
Project Total	300,000	300,000	300,000	300,000	300,000	300,000
TOTAL CAPITAL	300,000	300,000	300,000	300,000	300,000	300,000

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Public Protection Commissioner**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
Restricted Funds	1,463,000	1,463,000	1,463,000	1,512,900	1,512,900	1,512,900
Regular Total Funds	1,463,000	1,463,000	1,463,000	1,512,900	1,512,900	1,512,900
Continuing						
TOTAL FUNDS	1,463,000	1,463,000	1,463,000	1,512,900	1,512,900	1,512,900
II. EXPENDITURE CATEGORY						
Personnel Costs	1,170,100	1,170,100	1,170,100	1,201,500	1,201,500	1,201,500
Operating Expenses	292,900	292,900	292,900	311,400	311,400	311,400
TOTAL EXPENDITURES	1,463,000	1,463,000	1,463,000	1,512,900	1,512,900	1,512,900
III. BASE LEVEL BUDGET BY FUND SOURCE						
Restricted Funds	1,463,000	1,463,000	1,463,000	1,512,900	1,512,900	1,512,900
Regular Total Funds	1,463,000	1,463,000	1,463,000	1,512,900	1,512,900	1,512,900
Continuing						
TOTAL BASE LEVEL	1,463,000	1,463,000	1,463,000	1,512,900	1,512,900	1,512,900

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Public Protection Commissioner

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Boxing and Wrestling Authority**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
Restricted Funds	109,300	109,300	109,300	100,000	100,000	100,000
Regular Total Funds	109,300	109,300	109,300	100,000	100,000	100,000
Continuing						
TOTAL FUNDS	109,300	109,300	109,300	100,000	100,000	100,000
II. EXPENDITURE CATEGORY						
Personnel Costs	72,200	72,200	72,200	62,900	62,900	62,900
Operating Expenses	37,100	37,100	37,100	37,100	37,100	37,100
TOTAL EXPENDITURES	109,300	109,300	109,300	100,000	100,000	100,000
III. BASE LEVEL BUDGET BY FUND SOURCE						
Restricted Funds	109,300	109,300	109,300	100,000	100,000	100,000
Regular Total Funds	109,300	109,300	109,300	100,000	100,000	100,000
Continuing						
TOTAL BASE LEVEL	109,300	109,300	109,300	100,000	100,000	100,000

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Boxing and Wrestling Authority

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a transfer in fiscal year 2004-2005 of \$4,200.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

CONFERENCE BUDGET REPORT - 2005 REGULAR SESSION OF THE GENERAL ASSEMBLY

F - Environmental and Public Protection Cabinet**Operating Budget****Petroleum Storage Tank Environmental Assur. Fund**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund				1,719,000	1,719,000	1,719,000
Restricted Funds	28,413,000	28,413,000	28,413,000	29,069,400	29,069,400	29,069,400
Regular Total Funds	28,413,000	28,413,000	28,413,000	30,788,400	30,788,400	30,788,400
Continuing						
TOTAL FUNDS	28,413,000	28,413,000	28,413,000	30,788,400	30,788,400	30,788,400
II. EXPENDITURE CATEGORY						
Personnel Costs	3,529,400	3,529,400	3,529,400	3,569,400	3,569,400	3,569,400
Operating Expenses	24,383,600	24,383,600	24,383,600	25,000,000	25,000,000	25,000,000
Debt Service				1,719,000	1,719,000	1,719,000
Capital Outlay	500,000	500,000	500,000	500,000	500,000	500,000
TOTAL EXPENDITURES	28,413,000	28,413,000	28,413,000	30,788,400	30,788,400	30,788,400
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund				1,719,000	1,719,000	1,719,000
Restricted Funds	28,413,000	28,413,000	28,413,000	29,069,400	29,069,400	29,069,400
Regular Total Funds	28,413,000	28,413,000	28,413,000	30,788,400	30,788,400	30,788,400
Continuing						
TOTAL BASE LEVEL	28,413,000	28,413,000	28,413,000	30,788,400	30,788,400	30,788,400

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Petroleum Storage Tank Environmental Assurance Fund

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the requirements of the statutes set forth below, there is transferred from the Restricted Funds enumerated below to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a Petroleum Storage Tank Environmental Assurance Fund transfer totaling \$291,200 in fiscal year 2004-2005 and \$63,471,400 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Debt Service: Included in the above General Fund appropriation in fiscal year 2005-2006 is \$1,719,000 for debt service for new bonds as set forth in Part II, Capital Projects Budget, of this Act. Included in the above Restricted Funds appropriation in fiscal year 2005-2006 is \$25,000,000 for underground storage tank fund payments from new bonds as set forth in Part II, Capital Projects Budget, of this Act."

"Financial Responsibility Account: Any Restricted Funds receipts generated by the Petroleum Storage Tank Assurance Fund in fiscal year 2004-2005 in excess of the amounts appropriated above shall be allocated to the Financial Responsibility Account to help ensure that the agency meets its reserve balance requirements in fiscal year 2005-2006."

HOUSE REPORT

The House concurs with the Bill as Introduced.

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Petroleum Storage Tank Environmental Assurance Fund

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

THIS PAGE INTENTIONALLY LEFT BLANK

CONFERENCE BUDGET REPORT - 2005 REGULAR SESSION OF THE GENERAL ASSEMBLY

F - Environmental and Public Protection Cabinet**Capital Budget****Petroleum Storage Tank Environmental Assur. Fund**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. CAPITAL PROJECT RECAP BY FUND SOURCE						
Bond Funds	25,000,000	25,000,000	25,000,000			
TOTAL CAPITAL	25,000,000	25,000,000	25,000,000			
II. CAPITAL PROJECTS						
1						
Petroleum Storage Tank Environmental Assurance Fund						
PRJ675B0001						
Bond Funds	25,000,000	25,000,000	25,000,000			
Project Total	25,000,000	25,000,000	25,000,000			
TOTAL CAPITAL	25,000,000	25,000,000	25,000,000			

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Alcoholic Beverage Control**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	1,380,800	1,380,800	1,380,800	1,380,800	1,380,800	1,380,800
Restricted Funds	4,334,600	4,334,600	4,334,600	4,378,500	4,378,500	4,378,500
Regular Total Funds	5,715,400	5,715,400	5,715,400	5,759,300	5,759,300	5,759,300
Continuing						
TOTAL FUNDS	5,715,400	5,715,400	5,715,400	5,759,300	5,759,300	5,759,300
II. EXPENDITURE CATEGORY						
Personnel Costs	4,655,700	4,655,700	4,655,700	4,755,400	4,755,400	4,755,400
Operating Expenses	1,044,900	1,044,900	1,044,900	1,003,900	1,003,900	1,003,900
Capital Outlay	14,800	14,800	14,800			
TOTAL EXPENDITURES	5,715,400	5,715,400	5,715,400	5,759,300	5,759,300	5,759,300
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	1,380,800	1,380,800	1,380,800	1,380,800	1,380,800	1,380,800
Restricted Funds	4,334,600	4,334,600	4,334,600	4,378,500	4,378,500	4,378,500
Regular Total Funds	5,715,400	5,715,400	5,715,400	5,759,300	5,759,300	5,759,300
Continuing						
TOTAL BASE LEVEL	5,715,400	5,715,400	5,715,400	5,759,300	5,759,300	5,759,300

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Alcoholic Beverage Control

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the requirements of the statutes set forth below, there is transferred from the Restricted Funds enumerated below to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes an Alcoholic Beverage Control, Agency Revenue Fund transfer of \$1,009,700 in fiscal year 2004-2005.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Sale and Distribution of Tobacco Products Enforcement: Included in the above General Fund appropriation is \$260,000 in fiscal year 2004-2005 and \$260,000 in fiscal year 2005-2006 to carry out the provisions of KRS 438.337."

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Alcoholic Beverage Control

CONFERENCE REPORT

The Conference concurs with the House and Senate.

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Charitable Gaming**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
Restricted Funds	3,476,600	3,476,600	3,476,600	3,470,100	3,470,100	3,470,100
Regular Total Funds	3,476,600	3,476,600	3,476,600	3,470,100	3,470,100	3,470,100
Continuing						
TOTAL FUNDS	3,476,600	3,476,600	3,476,600	3,470,100	3,470,100	3,470,100
II. EXPENDITURE CATEGORY						
Personnel Costs	2,793,300	2,793,300	2,793,300	2,786,800	2,786,800	2,786,800
Operating Expenses	677,300	677,300	677,300	677,300	677,300	677,300
Grants, Loans, Benefits	6,000	6,000	6,000	6,000	6,000	6,000
TOTAL EXPENDITURES	3,476,600	3,476,600	3,476,600	3,470,100	3,470,100	3,470,100
III. BASE LEVEL BUDGET BY FUND SOURCE						
Restricted Funds	3,476,600	3,476,600	3,476,600	3,470,100	3,470,100	3,470,100
Regular Total Funds	3,476,600	3,476,600	3,476,600	3,470,100	3,470,100	3,470,100
Continuing						
TOTAL BASE LEVEL	3,476,600	3,476,600	3,476,600	3,470,100	3,470,100	3,470,100

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Charitable Gaming

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the requirements of the statutes set forth below, there is transferred from the Restricted Funds enumerated below to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a Charitable Gaming, Agency Restricted Fund transfer of \$191,200 in fiscal year 2004-2005.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Gross Receipts Fee: Notwithstanding KRS 238.570, the gross receipts fee for fiscal year 2004-2005 and fiscal year 2005-2006 shall be fifty-three one-hundredths of one percent."

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Charitable Gaming

CONFERENCE REPORT

The Conference concurs with the House and Senate.

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Board of Claims/Crime Victims' Compensation**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	813,000	813,000	813,000	813,000	813,000	813,000
Restricted Funds	2,834,300	2,834,300	2,834,300	2,856,400	2,856,400	2,856,400
Federal Funds	540,100	540,100	540,100	540,100	540,100	540,100
Regular Total Funds	4,187,400	4,187,400	4,187,400	4,209,500	4,209,500	4,209,500
Continuing						
TOTAL FUNDS	4,187,400	4,187,400	4,187,400	4,209,500	4,209,500	4,209,500
II. EXPENDITURE CATEGORY						
Personnel Costs	1,042,900	1,042,900	1,042,900	1,066,500	1,066,500	1,066,500
Operating Expenses	2,944,500	2,944,500	2,944,500	2,943,000	2,943,000	2,943,000
Grants, Loans, Benefits	200,000	200,000	200,000	200,000	200,000	200,000
TOTAL EXPENDITURES	4,187,400	4,187,400	4,187,400	4,209,500	4,209,500	4,209,500
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	813,000	813,000	813,000	813,000	813,000	813,000
Restricted Funds	2,834,300	2,834,300	2,834,300	2,856,400	2,856,400	2,856,400
Federal Funds	540,100	540,100	540,100	540,100	540,100	540,100
Regular Total Funds	4,187,400	4,187,400	4,187,400	4,209,500	4,209,500	4,209,500
Continuing						
TOTAL BASE LEVEL	4,187,400	4,187,400	4,187,400	4,209,500	4,209,500	4,209,500

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Claims/Crime Victims' Compensation

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a Claims/Crime Victims' Compensation Agency, Revenue Fund transfer totaling \$1,500 fiscal year 2004-2005.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that directs:

"Sexual Assault Examinations: Notwithstanding KRS 216B.400(8), examinations for reported victims of sexual assault shall be paid by the Crime Victims' Compensation Board in a manner consistent with KRS Chapter 346, at a rate determined by the Board. The Board shall reimburse the hospital or sexual assault examination facility as provided in administrative regulations promulgated by the Board."

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Claims/Crime Victims' Compensation

CONFERENCE REPORT

The Conference concurs with the House and Senate.

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Financial Institutions**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
Restricted Funds	8,224,900	8,224,900	8,224,900	8,594,800	8,594,800	8,594,800
Regular Total Funds	8,224,900	8,224,900	8,224,900	8,594,800	8,594,800	8,594,800
Continuing						
TOTAL FUNDS	8,224,900	8,224,900	8,224,900	8,594,800	8,594,800	8,594,800
II. EXPENDITURE CATEGORY						
Personnel Costs	5,912,800	5,912,800	5,912,800	6,239,100	6,239,100	6,239,100
Operating Expenses	1,950,000	1,950,000	1,950,000	1,983,600	1,983,600	1,983,600
Capital Outlay	362,100	362,100	362,100	372,100	372,100	372,100
TOTAL EXPENDITURES	8,224,900	8,224,900	8,224,900	8,594,800	8,594,800	8,594,800
III. BASE LEVEL BUDGET BY FUND SOURCE						
Restricted Funds	8,224,900	8,224,900	8,224,900	8,594,800	8,594,800	8,594,800
Regular Total Funds	8,224,900	8,224,900	8,224,900	8,594,800	8,594,800	8,594,800
Continuing						
TOTAL BASE LEVEL	8,224,900	8,224,900	8,224,900	8,594,800	8,594,800	8,594,800

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Financial Institutions

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the requirements of the statutes set forth below, there is transferred from the Restricted Funds enumerated below to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a Financial Institutions, Agency Revenue Fund transfer of \$3,420,100 in fiscal year 2004-2005 and \$2,712,100 in fiscal year 2005-2006.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Horse Racing Authority**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	509,700	509,700	509,700	509,700	509,700	509,700
Restricted Funds	14,002,100	14,002,100	14,002,100	13,174,800	13,174,800	13,174,800
Regular Total Funds	14,511,800	14,511,800	14,511,800	13,684,500	13,684,500	13,684,500
Continuing						
TOTAL FUNDS	14,511,800	14,511,800	14,511,800	13,684,500	13,684,500	13,684,500
II. EXPENDITURE CATEGORY						
Personnel Costs	2,034,300	2,034,300	2,034,300	2,080,000	2,080,000	2,080,000
Operating Expenses	907,600	907,600	907,600	920,300	920,300	920,300
Grants, Loans, Benefits	11,569,900	11,569,900	11,569,900	10,684,200	10,684,200	10,684,200
TOTAL EXPENDITURES	14,511,800	14,511,800	14,511,800	13,684,500	13,684,500	13,684,500
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	509,700	509,700	509,700	509,700	509,700	509,700
Restricted Funds	14,002,100	14,002,100	14,002,100	13,174,800	13,174,800	13,174,800
Regular Total Funds	14,511,800	14,511,800	14,511,800	13,684,500	13,684,500	13,684,500
Continuing						
TOTAL BASE LEVEL	14,511,800	14,511,800	14,511,800	13,684,500	13,684,500	13,684,500

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Horse Racing Authority

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a transfer from Kentucky Horse Racing Authority, Agency Revenue Fund, transfer of \$49,600 in fiscal year 2004-2005.

HOUSE REPORT

The House concurs with the Bill as Introduced with the following change:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"International Wagering Hub Progress Report: The Horse Racing Authority shall submit to the Interim Joint Committee on Appropriations and Revenue a quarterly written report on progress in establishment of an international wagering hub pursuant to KRS 230.378 to 230.380."

SENATE REPORT

The Senate concurs with the House with the following change:

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Horse Racing Authority

The Senate removes Part I, Operating Budget, language provision as follows:

"International Wagering Hub Progress Report: The Horse Racing Authority shall submit to the Interim Joint Committee on Appropriations and Revenue a quarterly written report on progress in establishment of an international wagering hub pursuant to KRS 230.378 to 230.380."

CONFERENCE REPORT

The Conference concurs with the House.

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet

Operating Budget

Housing, Buildings and Construction

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	2,094,100	2,094,100	2,094,100	2,114,700	2,114,700	2,114,700
Restricted Funds	13,959,000	13,959,000	13,959,000	14,945,700	14,945,700	14,945,700
Federal Funds	39,300	39,300	39,300			
Regular Total Funds	16,092,400	16,092,400	16,092,400	17,060,400	17,060,400	17,060,400
Continuing						
TOTAL FUNDS	16,092,400	16,092,400	16,092,400	17,060,400	17,060,400	17,060,400
II. EXPENDITURE CATEGORY						
Personnel Costs	12,782,000	12,782,000	12,782,000	14,092,300	14,092,300	14,092,300
Operating Expenses	3,123,400	3,123,400	3,123,400	2,956,100	2,956,100	2,956,100
Capital Outlay	12,000	12,000	12,000	12,000	12,000	12,000
Construction	175,000	175,000	175,000			
TOTAL EXPENDITURES	16,092,400	16,092,400	16,092,400	17,060,400	17,060,400	17,060,400
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	2,094,100	2,094,100	2,094,100	2,114,700	2,114,700	2,114,700
Restricted Funds	12,209,000	12,209,000	12,209,000	13,195,700	13,195,700	13,195,700
Federal Funds	39,300	39,300	39,300			
Regular Total Funds	14,342,400	14,342,400	14,342,400	15,310,400	15,310,400	15,310,400
Continuing						
TOTAL BASE LEVEL	14,342,400	14,342,400	14,342,400	15,310,400	15,310,400	15,310,400
IV. ADDITIONAL BUDGET RECAP BY FUND SOURCE						
Restricted Funds	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
TOTAL ADDITIONAL	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
V. ADDITIONAL BUDGET ITEMS						
1 CONTN Additional Personnel						
ABR6900002	Additional funding for 51 new positions comprised of plan reviewers, HVAC inspectors, plumbing inspectors and building inspectors.					
Restricted Funds	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
Project Total	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000
TOTAL ADDITIONAL	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000	1,750,000

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Housing, Buildings and Construction

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the requirements of the statutes set forth below, there is transferred from the Restricted Funds enumerated below to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a Housing, Buildings and Construction, Agency Revenue Fund transfer of \$90,100 in fiscal year 2004-2005.

HOUSE REPORT

The House concurs with the Bill as Introduced with the following change:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Additional Personnel: Included in the above Restricted Funds appropriation is \$1,750,000 in fiscal year 2004-2005 and \$1,750,000 in fiscal year 2005-2006 for 51 new positions which include 11 plan reviewers, 10 building inspectors, 20 plumbing inspectors, and 10 heating ventilation and cooling inspectors."

SENATE REPORT

The Senate concurs with the House.

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Housing, Buildings and Construction

CONFERENCE REPORT

The Conference concurs with the House and Senate.

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet

Capital Budget

Housing, Buildings and Construction

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference

II. CAPITAL PROJECTS

1 Lease - Franklin County

PRJ6900147

Other Funds

Project Total

TOTAL CAPITAL

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Insurance**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund (Tobacco)	16,782,600	16,782,600	16,782,600	16,751,700	16,751,700	16,751,700
Restricted Funds	22,364,400	22,364,400	22,364,400	23,807,100	23,807,100	23,807,100
Federal Funds	4,322,100	4,322,100	4,322,100			
Regular Total Funds	43,469,100	43,469,100	43,469,100	40,558,800	40,558,800	40,558,800
Continuing						
TOTAL FUNDS	43,469,100	43,469,100	43,469,100	40,558,800	40,558,800	40,558,800
II. EXPENDITURE CATEGORY						
Personnel Costs	40,103,600	40,103,600	40,103,600	37,118,700	37,118,700	37,118,700
Operating Expenses	3,365,500	3,365,500	3,365,500	3,440,100	3,440,100	3,440,100
TOTAL EXPENDITURES	43,469,100	43,469,100	43,469,100	40,558,800	40,558,800	40,558,800
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund (Tobacco)	16,782,600	16,782,600	16,782,600	16,751,700	16,751,700	16,751,700
Restricted Funds	22,364,400	22,364,400	22,364,400	23,807,100	23,807,100	23,807,100
Federal Funds	4,322,100	4,322,100	4,322,100			
Regular Total Funds	43,469,100	43,469,100	43,469,100	40,558,800	40,558,800	40,558,800
Continuing						
TOTAL BASE LEVEL	43,469,100	43,469,100	43,469,100	40,558,800	40,558,800	40,558,800

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Insurance

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the requirements of the statutes set forth below, there is transferred from the Restricted Funds enumerated below to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes an Insurance Agency Revenue Fund transfer of \$3,872,800 in fiscal year 2004-2005, and \$11,340,300 in fiscal year 2005-2006.

Part V, Funds Transfer, includes an Kentucky Access Agency Revenue Fund transfer of \$9,932,900 in fiscal year 2004-2005, and \$10,287,900 in fiscal year 2005-2006.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Tobacco Settlement Funds: Included in the above General Fund (Tobacco) appropriation is \$16,782,600 in fiscal year 2004-2005 and \$16,751,700 in fiscal year 2005-2006 for the Kentucky Access Program."

"Risk-based Capital (RBC): A corporation, partnership, or limited liability corporation applying for and holding a certificate of authority as a health maintenance organization, which by contract manages care and processes health care claims solely for Medicaid-eligible enrollees and the Kentucky Children's Health Insurance Program, shall comply with risk-based capital (RBC) requirements as follows:

(a) For purposes of this subsection, RBC shall be determined in accordance with 806 KAR 38:100. Except for subsection (11)(c) of Section 1. and Section 11. of 806 KAR 38:100, a corporation, partnership, or limited liability corporation applying for and

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Insurance

holding a certificate of authority as a health maintenance organization, which by contract manages care and processes health care claims solely for Medicaid-eligible enrollees and the Kentucky Children's Health Insurance Program, shall comply with 806 KAR 38:100;

(b) For the RBC reports required to be filed by health maintenance organizations which manage care and process health care claims solely for Medicaid-eligible enrollees and the Kentucky Children's Health Insurance Program, the RBC levels shall be defined as follows: 1. "Company Action Level RBC" means the product of two and its Authorized Control Level RBC; 2. "Regulatory Action Level RBC" means the product of one and five-tenths and its Authorized Control Level RBC; 3. "Authorized Control Level RBC" means the product of four-tenths and the RBC after covariance determined under the RBC formula in accordance with the RBC instruction; and 4. "Mandatory Control Level RBC" means the product of seven-tenths and the Authorized Control Level RBC; and

(c) A corporation, partnership, or limited liability corporation applying for and holding a certificate of authority as a health maintenance organization managing care, processing health care claims, or providing health benefits to groups or individuals in addition to Medicaid-eligible and Kentucky Children's Health Insurance Program enrollees shall comply with the RBC requirements of paragraph (a) of this subsection and 806 KAR 38:100 and shall not be eligible to calculate its RBC according to this subsection."

"Kentucky Access: Notwithstanding KRS 304.17B-031, during the 2004-2006 biennium, the Secretary of the Environmental and Public Protection Cabinet may seek authorization from the State Budget Director to reallocate excess unbudgeted operating funds generated by the Office of Insurance to Access. Any such funding reallocations that are approved by the State Budget Director will be reported to the Interim Joint Committee on Appropriations and Revenue consistent with the provisions of this Act."

HOUSE REPORT

The House concurs with the Bill as Introduced with the following change:

The House amends the State/Executive Branch Budget Bill, Part V, Funds Transfer, to include transfers from the Fire and Tornado Agency Revenue Fund totaling \$500,000 in fiscal year 2004-2005 and \$500,000 in fiscal year 2005-2006.

SENATE REPORT

The Senate concurs with the House.

Fiscal Biennium 2004-2006
Budget Modification Report

03/07/05 2:57 PM

Insurance

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet

Capital Budget

Insurance

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference

II. CAPITAL PROJECTS

1 Lease - Franklin County

PRJ695A0001

Restricted Funds

Project Total

TOTAL CAPITAL

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Mine Safety Review Commission**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	230,500	230,500	230,500	230,500	230,500	230,500
Restricted Funds	500	500	500			
Regular Total Funds	231,000	231,000	231,000	230,500	230,500	230,500
Continuing						
TOTAL FUNDS	231,000	231,000	231,000	230,500	230,500	230,500
II. EXPENDITURE CATEGORY						
Personnel Costs	176,000	176,000	176,000	175,500	175,500	175,500
Operating Expenses	55,000	55,000	55,000	55,000	55,000	55,000
TOTAL EXPENDITURES	231,000	231,000	231,000	230,500	230,500	230,500
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	230,500	230,500	230,500	230,500	230,500	230,500
Restricted Funds	500	500	500			
Regular Total Funds	231,000	231,000	231,000	230,500	230,500	230,500
Continuing						
TOTAL BASE LEVEL	231,000	231,000	231,000	230,500	230,500	230,500

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Mine Safety Review Commission

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Mine Safety and Licensing**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	8,805,800	8,805,800	8,805,800	9,021,800	9,021,800	9,021,800
Restricted Funds	292,900	292,900	292,900	525,300	525,300	525,300
Federal Funds	1,467,000	1,467,000	1,467,000	603,300	603,300	603,300
Regular Total Funds	10,565,700	10,565,700	10,565,700	10,150,400	10,150,400	10,150,400
Continuing						
TOTAL FUNDS	10,565,700	10,565,700	10,565,700	10,150,400	10,150,400	10,150,400
II. EXPENDITURE CATEGORY						
Personnel Costs	8,046,600	8,046,600	8,046,600	8,515,800	8,515,800	8,515,800
Operating Expenses	2,508,700	2,508,700	2,508,700	1,609,600	1,609,600	1,609,600
Capital Outlay	10,400	10,400	10,400	25,000	25,000	25,000
TOTAL EXPENDITURES	10,565,700	10,565,700	10,565,700	10,150,400	10,150,400	10,150,400
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	8,805,800	8,805,800	8,805,800	9,021,800	9,021,800	9,021,800
Restricted Funds	292,900	292,900	292,900	525,300	525,300	525,300
Federal Funds	1,467,000	1,467,000	1,467,000	603,300	603,300	603,300
Regular Total Funds	10,565,700	10,565,700	10,565,700	10,150,400	10,150,400	10,150,400
Continuing						
TOTAL BASE LEVEL	10,565,700	10,565,700	10,565,700	10,150,400	10,150,400	10,150,400

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Mine Safety and Licensing

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part V, Funds Transfer, includes a language provision that directs:

"Notwithstanding the requirements of the statutes set forth below, there is transferred from the Restricted Funds enumerated below to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

Part V, Funds Transfer, includes a transfer from Mine Safety and Licensing, Agency Revenue Fund transfer totaling \$36,600 in fiscal year 2004-2005.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Public Service Commission**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	11,154,100	11,154,100	11,154,100	11,409,800	11,409,800	11,409,800
Restricted Funds	1,024,000	1,024,000	1,024,000	1,024,000	1,024,000	1,024,000
Federal Funds	249,600	249,600	249,600	257,300	257,300	257,300
Regular Total Funds	12,427,700	12,427,700	12,427,700	12,691,100	12,691,100	12,691,100
Continuing						
TOTAL FUNDS	12,427,700	12,427,700	12,427,700	12,691,100	12,691,100	12,691,100
II. EXPENDITURE CATEGORY						
Personnel Costs	9,169,700	9,169,700	9,169,700	9,438,300	9,438,300	9,438,300
Operating Expenses	2,650,600	2,650,600	2,650,600	2,645,400	2,645,400	2,645,400
Debt Service	589,000	589,000	589,000	589,000	589,000	589,000
Capital Outlay	18,400	18,400	18,400	18,400	18,400	18,400
TOTAL EXPENDITURES	12,427,700	12,427,700	12,427,700	12,691,100	12,691,100	12,691,100
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	11,154,100	11,154,100	11,154,100	11,409,800	11,409,800	11,409,800
Restricted Funds	1,024,000	1,024,000	1,024,000	1,024,000	1,024,000	1,024,000
Federal Funds	249,600	249,600	249,600	257,300	257,300	257,300
Regular Total Funds	12,427,700	12,427,700	12,427,700	12,691,100	12,691,100	12,691,100
Continuing						
TOTAL BASE LEVEL	12,427,700	12,427,700	12,427,700	12,691,100	12,691,100	12,691,100

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Public Service Commission

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes a language provision that direct:

"Debt Service: Included in the above General Fund appropriation is \$589,000 in fiscal year 2004-2005 and \$589,000 in fiscal year 2005-2006 for debt service for previously issued bonds."

"Carry Forward of General Fund Appropriation Balance: Notwithstanding KRS 278.150(3), \$1,807,300 in fiscal year 2004-2005 shall lapse to the credit of the General Fund."

HOUSE REPORT

The House concurs with the Bill as Introduced with the following changes:

The House amends the State/Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provisions:

"Water Districts and Water Associations: A water district created pursuant to KRS Chapter 74 and a water association created pursuant to KRS Chapter 273 that undertakes a waterline extension or improvement project shall not be required to obtain a certificate of public convenience and necessity pursuant to KRS 278.020(1) if the water district or water association is a Class A or B utility as defined in the Uniform System of Accounts established by the Public Service Commission, pursuant to KRS 278.220, as the system of accounts prescribed for utilities in Kentucky, and either: (a) The water line extension or improvement project will not cost in excess of \$500,000; or (b) The water district or water association will not, as a result of the water line extension or improvement project, incur obligations requiring Public Service Commission approval pursuant to KRS 278.300. In either case, the water or water association district shall not, as a result of the water line extension or improvement project, increase rates to its customers."

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Public Service Commission

"Executive Branch Ethics Requirements: The Public Service Commission shall be considered an executive agency, as defined in KRS 11A.201(6), and an order issued by the Public Service Commission regarding the rates or service of a utility, as defined in KRS 278.010(3), shall be considered an executive agency decision, as defined in KRS 11A.201(7)."

SENATE REPORT

The Senate concurs with the House with the following changes:

The Senate removes Part I, Operating Budget, language provision as follows:

"Water Districts and Water Associations: A water district created pursuant to KRS Chapter 74 and a water association created pursuant to KRS Chapter 273 that undertakes a waterline extension or improvement project shall not be required to obtain a certificate of public convenience and necessity pursuant to KRS 278.020(1) if the water district or water association is a Class A or B utility as defined in the Uniform System of Accounts established by the Public Service Commission, pursuant to KRS 278.220, as the system of accounts prescribed for utilities in Kentucky, and either: (a) The water line extension or improvement project will not cost in excess of \$500,000; or (b) The water district or water association will not, as a result of the water line extension or improvement project, incur obligations requiring Public Service Commission approval pursuant to KRS 278.300. In either case, the water or water association district shall not, as a result of the water line extension or improvement project, increase rates to its customers."

"Executive Branch Ethics Requirements: The Public Service Commission shall be considered an executive agency, as defined in KRS 11A.201(6), and an order issued by the Public Service Commission regarding the rates or service of a utility, as defined in KRS 278.010(3), shall be considered an executive agency decision, as defined in KRS 11A.201(7)."

The Senate adds Part XX, Public Projects Financing language provision as follows:

"Notwithstanding KRS 48.310, the following statute is amended to read as follows and shall have permanent effect, subject to future actions by the General Assembly:

Section 1. KRS 58.180 is amended to read as follows:

(1) (a) As used herein, the term "public project" shall have the same meaning as ascribed to such term by KRS 58.010, and the term "public project" shall include, inter alia, but not by way of limitation, public facilities such as sewers, sewage treatment works,

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Public Service Commission

water systems, streets, sidewalks and other public ways, both vehicular and pedestrian, parks and recreational and sports facilities, hospitals and health facilities, educational facilities, drainage and reclamation projects, jails, municipal buildings, public docks, wharves and port facilities, solid waste disposal facilities, pollution control systems, mass commuting and transport systems, industrial parks, courthouses and other public buildings, public parking and garage facilities, and other edifices, projects and like things and objects intended for governmental and public purposes.

(b) As used herein, the term "governmental agency" shall mean any division of the Commonwealth which is a municipal corporation and political subdivision of the Commonwealth of Kentucky, or to which has been delegated the right to exercise part of the sovereign power of the Commonwealth.

(2) Any governmental agency may create a nonprofit corporation pursuant to the provisions of KRS 273.161 to 273.390, inclusive, to act as the agency and instrumentality and the constituted authority of such governmental agency in the acquisition and financing of any public project which may be undertaken by such governmental agency pursuant to the provisions of Kentucky law and thus accomplish a public purpose of such governmental agency. Such corporation, upon direction of such governmental agency, shall be authorized to issue its bonds, notes or other obligations on behalf of such governmental agency for the acquisition and financing of one or more public projects on behalf of such governmental agency, and may pledge for the amortization of such bonds, notes or other obligations all revenues derived from the operation of such public project or public projects, including specifically all revenues derived from the leasing of such public project or public projects directly to the governmental agency upon whose behalf and upon whose direction such bonds, notes or other obligations are issued. Provided, however, that no bonds or other obligations shall be authorized under the provisions of this chapter for the construction or acquisition of telephone ~~or~~ gas ~~or electric~~ facilities.

(3) It shall be provided in any such financing (i) that upon the retirement and discharge of the bonds, notes or other obligations issued by such corporation at the direction of and on behalf of such governmental agency, title to the public project or public projects so acquired shall vest in such governmental agency; (ii) that in the event of default with respect to such bonds, notes or other obligations, the governmental agency shall have the exclusive option to acquire the public project or public projects for the amount required to discharge such bonds, notes or other obligations, and is provided a reasonable time to exercise such option; (iii) that the issuance of such bonds, notes or other obligations shall be directed by and approved by such governmental agency not more than sixty (60) days prior to the date of issue of such obligations; and (iv) that no bonds, notes or other obligations shall be issued by such corporation for and on behalf of such governmental agency except upon express direction of such governmental agency.

(4) Any governmental agency creating a corporation pursuant to this section to act for and on behalf of, and as the agency and instrumentality of, such governmental agency in the acquisition and financing of a public project or public projects shall, at all times either (i) exercise organizational control over such corporation by creating the corporation pursuant to this section, and retain authority at any and all times to alter or change the structure, organization, programs or activities of the corporation, including the power to terminate existence of the corporation, subject to any limitation on the impairment of contracts entered into by such corporation, or

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Public Service Commission

shall (ii) exercise supervisory control over such corporation as may be deemed proper by the governmental agency in the administration of the corporation's activities as a constituted authority of such governmental agency, and as may be required from time to time by federal law in order to qualify the corporation to issue bonds, notes or other obligations on behalf of the governmental agency.

(5) It shall be provided, inter alia, in the articles of incorporation of any such corporation and constituted authority created to act as the agency and instrumentality of a governmental agency and to finance public projects for such governmental agency on its behalf and thereby accomplish a public purpose of such governmental agency, (i) that any net revenues of such corporation beyond those necessary for retirement of indebtedness, or implementation of the public purpose or purposes of the corporation and the governmental agency shall not inure to the benefit of any person other than the governmental agency; (ii) that upon dissolution of the corporation, title to all property owned by such corporation shall vest in the governmental agency; and (iii) that the corporation shall be created and operated solely and only to accomplish one or more of the public purposes of the governmental agency and for the acquisition and financing of public projects for and on behalf of such governmental agency.

(6) The governing body of such corporation shall consist solely and only of the following individuals:

- (a) Public officials of the governmental agency as ex officio members; or
- (b) Persons appointed by the governmental agency or by public officials of the governmental agency."

CONFERENCE REPORT

The Conference concurs with the Bill as Introduced with the following change:

The Conference amends the State Executive Branch Budget Bill, Part I, Operating Budget, to include the following language provision:

"Water Districts and Water Associations: A water district created pursuant to KRS Chapter 74 and a water association created pursuant to KRS Chapter 273 that undertakes a waterline extension or improvement project shall not be required to obtain a certificate of public convenience and necessity pursuant to KRS 278.020(1) if the water district or water association is a Class A or B utility as defined in the Uniform System of Accounts established by the Public Service Commission, pursuant to KRS 278.220, as the system of

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Public Service Commission

accounts prescribed for utilities in Kentucky, and either: (a) The water line extension or improvement project will not cost in excess of \$500,000; or (b) The water district or water association will not, as a result of the water line extension or improvement project, incur obligations requiring Public Service Commission approval pursuant to KRS 278.300. In either case, the water district or water association shall not, as a result of the water line extension or improvement project, increase rates to its customers."

Operating Budget

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	486,100	486,100	486,100	486,100	486,100	486,100
Regular Total Funds	486,100	486,100	486,100	486,100	486,100	486,100
Continuing						
TOTAL FUNDS	486,100	486,100	486,100	486,100	486,100	486,100
II. EXPENDITURE CATEGORY						
Personnel Costs	437,500	437,500	437,500	437,500	437,500	437,500
Operating Expenses	48,600	48,600	48,600	48,600	48,600	48,600
TOTAL EXPENDITURES	486,100	486,100	486,100	486,100	486,100	486,100
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	486,100	486,100	486,100	486,100	486,100	486,100
Regular Total Funds	486,100	486,100	486,100	486,100	486,100	486,100
Continuing						
TOTAL BASE LEVEL	486,100	486,100	486,100	486,100	486,100	486,100

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Tax Appeals

BILL AS INTRODUCED

"Notwithstanding the statutes or requirements of the Restricted Funds enumerated below, there is transferred to the General Fund the following amounts in fiscal year 2004-2005, and fiscal year 2005-2006."

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Labor**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
General Fund	2,349,100	2,349,100	2,349,100	2,349,100	2,349,100	2,349,100
Restricted Funds	127,175,200	127,175,200	127,175,200	124,935,300	124,935,300	124,935,300
Federal Funds	3,233,100	3,233,100	3,233,100	3,233,100	3,233,100	3,233,100
Regular Total Funds	132,757,400	132,757,400	132,757,400	130,517,500	130,517,500	130,517,500
Continuing						
TOTAL FUNDS	132,757,400	132,757,400	132,757,400	130,517,500	130,517,500	130,517,500
II. EXPENDITURE CATEGORY						
Personnel Costs	23,285,600	23,285,600	23,285,600	23,002,900	23,002,900	23,002,900
Operating Expenses	6,764,200	6,764,200	6,764,200	6,964,400	6,964,400	6,964,400
Grants, Loans, Benefits	102,366,000	102,366,000	102,366,000	100,200,000	100,200,000	100,200,000
Capital Outlay	341,600	341,600	341,600	350,200	350,200	350,200
TOTAL EXPENDITURES	132,757,400	132,757,400	132,757,400	130,517,500	130,517,500	130,517,500
III. BASE LEVEL BUDGET BY FUND SOURCE						
General Fund	2,349,100	2,349,100	2,349,100	2,349,100	2,349,100	2,349,100
Restricted Funds	127,175,200	127,175,200	127,175,200	124,935,300	124,935,300	124,935,300
Federal Funds	3,233,100	3,233,100	3,233,100	3,233,100	3,233,100	3,233,100
Regular Total Funds	132,757,400	132,757,400	132,757,400	130,517,500	130,517,500	130,517,500
Continuing						
TOTAL BASE LEVEL	132,757,400	132,757,400	132,757,400	130,517,500	130,517,500	130,517,500

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Labor

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

HOUSE REPORT

The House concurs with the Bill as Introduced with the following change:

The House adds Part I, Operating Budget, language relating to gainful occupation as follows:

"Definition of Gainful Occupation: Notwithstanding KRS 339.210, "gainful occupation" does not include employment of minors by their own parents or persons standing in the place of a parent including a group medical practice in which the parent has any ownership interest."

SENATE REPORT

The Senate concurs with the House with the following change:

The language provision in Part I, Operating Budget, relating to gainful occupation, is not included.

CONFERENCE REPORT

The Conference concurs with the Senate.

F - Environmental and Public Protection Cabinet**Capital Budget****Labor**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference

II. CAPITAL PROJECTS**1 Lease - Franklin County**

PRJ9200001

Restricted Funds

Project Total**2 Lease - Franklin County**

PRJ9250001

Restricted Funds

Project Total**TOTAL CAPITAL**

THIS PAGE INTENTIONALLY LEFT BLANK

F - Environmental and Public Protection Cabinet**Operating Budget****Occupational Safety and Health Review Comm.**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
Restricted Funds	479,300	479,300	479,300	447,500	447,500	447,500
Regular Total Funds	479,300	479,300	479,300	447,500	447,500	447,500
Continuing						
TOTAL FUNDS	479,300	479,300	479,300	447,500	447,500	447,500
II. EXPENDITURE CATEGORY						
Personnel Costs	438,800	438,800	438,800	393,700	393,700	393,700
Operating Expenses	40,500	40,500	40,500	53,800	53,800	53,800
TOTAL EXPENDITURES	479,300	479,300	479,300	447,500	447,500	447,500
III. BASE LEVEL BUDGET BY FUND SOURCE						
Restricted Funds	479,300	479,300	479,300	447,500	447,500	447,500
Regular Total Funds	479,300	479,300	479,300	447,500	447,500	447,500
Continuing						
TOTAL BASE LEVEL	479,300	479,300	479,300	447,500	447,500	447,500

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

KY Occupational Safety and Health Review Comm.

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Workers Compensation Board**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
Restricted Funds	900,000	900,000	900,000	922,200	922,200	922,200
Regular Total Funds	900,000	900,000	900,000	922,200	922,200	922,200
Continuing						
TOTAL FUNDS	900,000	900,000	900,000	922,200	922,200	922,200
II. EXPENDITURE CATEGORY						
Personnel Costs	750,700	750,700	750,700	772,900	772,900	772,900
Operating Expenses	149,300	149,300	149,300	149,300	149,300	149,300
TOTAL EXPENDITURES	900,000	900,000	900,000	922,200	922,200	922,200
III. BASE LEVEL BUDGET BY FUND SOURCE						
Restricted Funds	900,000	900,000	900,000	922,200	922,200	922,200
Regular Total Funds	900,000	900,000	900,000	922,200	922,200	922,200
Continuing						
TOTAL BASE LEVEL	900,000	900,000	900,000	922,200	922,200	922,200

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Workers' Compensation Board

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.

F - Environmental and Public Protection Cabinet**Operating Budget****Workers' Compensation Funding Commission**

	Fiscal Year 2004-2005			Fiscal Year 2005-2006		
	House	Senate	Conference	House	Senate	Conference
I. APPROPRIATIONS SUMMARY BY FUND SOURCE						
Restricted Funds	136,955,800	136,955,800	136,955,800	134,607,200	134,607,200	134,607,200
Regular Total Funds	136,955,800	136,955,800	136,955,800	134,607,200	134,607,200	134,607,200
Continuing						
TOTAL FUNDS	136,955,800	136,955,800	136,955,800	134,607,200	134,607,200	134,607,200
II. EXPENDITURE CATEGORY						
Personnel Costs	1,257,900	1,257,900	1,257,900	1,391,300	1,391,300	1,391,300
Operating Expenses	135,697,900	135,697,900	135,697,900	133,215,900	133,215,900	133,215,900
TOTAL EXPENDITURES	136,955,800	136,955,800	136,955,800	134,607,200	134,607,200	134,607,200
III. BASE LEVEL BUDGET BY FUND SOURCE						
Restricted Funds	136,955,800	136,955,800	136,955,800	134,607,200	134,607,200	134,607,200
Regular Total Funds	136,955,800	136,955,800	136,955,800	134,607,200	134,607,200	134,607,200
Continuing						
TOTAL BASE LEVEL	136,955,800	136,955,800	136,955,800	134,607,200	134,607,200	134,607,200

**Fiscal Biennium 2004-2006
Budget Modification Report**

03/07/05 2:57 PM

Workers' Compensation Funding Commission

BILL AS INTRODUCED

The State/Executive Branch Budget Bill, Part III, General Provisions, includes language to appropriate funds for expenditures in fiscal year 2004-2005 that have been approved or paid in accordance with Executive Order 2004-650, Executive Order 2004-1092, and Executive Order 2004-1373.

State salary/compensation and employment policy including increments, retirement, health insurance, and personnel complement are addressed in the State/Executive Branch Budget Bill, Part IV, State Salary Compensation and Employment Policy.

The State/Executive Branch Budget Bill, Part I, Operating Budget, includes language provisions that direct:

"Commission Funding: Notwithstanding KRS 342.122(1)(c), no General Fund appropriation is provided to the Kentucky Workers' Compensation Funding Commission in fiscal year 2004-2005 and fiscal year 2005-2006."

HOUSE REPORT

The House concurs with the Bill as Introduced.

SENATE REPORT

The Senate concurs with the House.

CONFERENCE REPORT

The Conference concurs with the House and Senate.